

Overview

While some aspects of Budget 2015 are welcome, the Budget was a missed opportunity to move towards high quality, affordable early care and education in Ireland.

In our Pre-Budget Submission,¹ published in July, we recommended that Budget 2015 should do the following:

1. Extend subsidised places in early years services, to make 'childcare' more affordable and raise quality standards at the same time.
2. Carry out an audit of the quality of early years services.
3. Make public funding conditional on quality: withdraw funding where standards are not met.
4. Increase resources for the Early Years Inspectorate.
5. Retain the Free Pre-School Year as universal and free.
6. Maintain the rate of Child Benefit at its current level.

Disappointingly, there was no progress on any of the first three of our Budget recommendations. There was no increase in investment in early care and education services to raise quality or improve affordability – even though Ireland has the one of the lowest rates of early years investment in Europe.

We did see some action being taken on our other recommendations. In particular, there was a €5 monthly increase in Child Benefit. The increase is welcome but, coming after years of cutbacks to Child Benefit, it is not enough to make a big difference to most families.

Start Strong also welcomed the announcement by the Minister for Education and Skills of a new team of early childhood education inspectors. It remains to be seen, however, how the new inspectors will be integrated with the existing inspection system and what their impact will be.

Key measures in Budget 2015

Changes

- €5 per month increase in Child Benefit, with a further €5 increase in 2016.
- Back to Work Family Dividend, allowing families moving from social welfare into employment to retain the Qualified Child Increase of €29.80 per week for 12 months.
- €26m increase in the budget for Tusla, bringing it to €635m.
- €0.6m announced for Department of Education and Skills to recruit "a new team of early childhood education inspectors".
- Additional €60m for Department of Education and Skills "to meet growing numbers of children starting school" – with 900 new classroom teachers, 480 new resource teachers, and 365 new Special Needs Assistants.
- Increased Department of Health budget, which will allow implementation of the commitment to free GP care for under 6 year olds.

Unchanged

- No increase in investment in the quality of early care and education services, e.g. no additional funds for staff training.
- Public subsidies for affordable places in quality early care and education unchanged.
- The Free Pre-School Year remains universal and free, but there is no reform of funding (e.g. no funding for non-contact time to provide for planning or CPD).
- No tighter conditionality of public funding on the quality of early care and education.

¹ Start Strong (2014) *Pre-Budget Submission for Budget 2014*. http://www.startstrong.ie/files/Start_Strong_Pre-Budget_Submission_for_2015.pdf

1. No investment in the early years – a missed opportunity

While much of the talk in this Budget was of the end of austerity, early care and education saw no increase in investment.

It remains the case that fees paid by parents in Ireland for early years services are among the highest in Europe.² OECD figures³ show that fees paid by a low-income, dual-earner family in Ireland with two young children take up 35% of the family's net income. For a lone-parent family on the average wage, fees amount to 40% of income. In contrast, the EU average is just 10 – 13% of family income.

For some, the fees are prohibitive, keeping parents out of work who would otherwise seek employment, raising the level of child poverty.

Some measures were announced in Budget 2015 that will assist families trying to get out of poverty, but – in the context of recent cuts and the high cost of childcare – the measures are modest (see Section 3 below).

The approach recommended by Start Strong in our *Pre-Budget Submission* was to extend public subsidies for places in quality early care and education services, so as to achieve the “double dividend” of affordability *and* high quality ‘childcare’. We made specific proposals to Government on how to achieve this “double dividend”:

- Making the subsidised places on offer through the Community Childcare Subvention (CCS) scheme available in *all* services – both private and community services as well as childminders – as long as those services meet quality standards.
- Enabling families to take up subsidies at any time of year, rather than the current system of one annual intake into the CCS.
- Introducing a 100% subsidy for families with particularly high levels of need.
- Making all public funding schemes conditional on the quality of services.

The need for high quality, affordable ‘childcare’ services remains, and we will continue to put forward these recommendations.

The Government has stated it will publish the National Early Years Strategy before the end of this year. If the National Early Years Strategy is to be in any way ambitious, and is to have any

real impact, it must be backed by a substantial increase in public investment.

Ireland's level of public investment in early years services is among the lowest in Europe. According to the OECD, Ireland spends 0.4% GDP on early care and education services, well below the OECD average of 0.7% GDP and the international benchmark of 1% GDP.

Furthermore, the OECD figure for Ireland includes expenditure on 4 and 5 year olds in the infant classes of primary schools. If we look just at expenditure on services *prior* to school entry, expenditure in Ireland amounts to approx. €300m, or less than 0.2% GDP – a fraction of the OECD average. This figure is unchanged in Budget 2015.

Of course, young children benefit from investment in a range of services, not just early care and education. So we welcome the increased budget for the Department of Health, which the Government stated will allow for the implementation of free GP care for under-6s. And we welcome the increased budget for Tusla, the Child and Family Agency.

Similarly, budget increases for the Department of Education and Skills will allow increased numbers of teachers and Special Needs Assistants in schools, which will benefit the many 4 and 5 year olds already in school.

While we welcome those measures, they serve to highlight the dismally low – and unchanged – level of investment in early care and education at pre-school level in Ireland.

2. Quality measures very limited

The international research is clear that early care and education services only benefit children if they are high quality. Unfortunately, their quality in Ireland is very variable. That is why Start Strong has consistently argued that improving quality must be the first and central aim of early years policy in Ireland.

Following the shocking Prime Time documentary, *A Breach of Trust*, last year's Budget made small (€4.5m) investments in quality supports, to back up the “Pre-School Quality Agenda” introduced in 2013 by the Minister for Children and Youth Affairs.

Some of those investments will come to fruition in 2015, with the National Early Years Quality

² Eurostat/Eurydice (2014) *Key Data on Early Childhood Education and Care in Europe*.

³ OECD (2014) *OECD Family Database*.



Support Service beginning to support services, and the Level 5 minimum qualification for early years staff required from September 2015.

However, Start Strong is very disappointed at the almost complete absence of further investment in quality in Budget 2015. None of our recommendations on quality were acted on in Budget 2015, except a small increase in resources for the wider inspection system.

For example, there is no increased investment in staff training, no salary scale to help recruit and retain qualified staff, no additional resources for services supporting children with special needs, and no audit of quality.

While the Free Pre-School Year remains universal and free, we are disappointed no steps have been taken to reform the basis on which services are funded. For example, there is still no funding of non-contact time, even though it is critical for allowing staff to plan and prepare daily activities, for recording children's progress, and for continuing professional development.

And no steps have been taken to make public funding (for all funding schemes, not just the Free Pre-School Year) conditional on quality by withdrawing public funding where quality standards are not met.

The Minister for Education and Skills did announce €0.6m to "allow for the immediate recruitment of a new team of early childhood education inspectors". While they will not form part of the existing Early Years Inspectorate (which is housed in Tusla, the Child and Family Agency), the new posts should in principle form part of a wider inspection system.

The Minister for Education and Skills stated that the focus of the new inspectors would be "good educational practice",⁴ while the Minister for Children and Youth Affairs stated their focus would be "the quality of educational provision", in particular: the "quality of provision for children's learning and development", "children's learning experiences and achievements", and "management and leadership for learning".⁵

This new focus on children's learning and development is extremely positive, as a major defect of the Early Years Inspectorate in Tusla is its predominant focus on health and safety and its inability to assess adequately the quality

of provision or its impact on children's learning and development. Tusla's inspectors are Public Health Nurses, and have no requirement for training or qualifications in early childhood care and education.

However, a real concern is the Government's statement that the new education-focused inspectors will look specifically at "settings participating in the Free Pre-School Year programme". There is a danger that the Government is falling into the trap of assuming that the Free Pre-School Year is "educational" while other early years provision is not.

All young children in all settings are learning and developing – early education does not suddenly begin at the age of 3 years 2 months (the earliest starting-age for the Free Pre-School Year). All early years services – for young children of all ages – should provide for integrated care and education, and they should be inspected accordingly.

Moreover, the announcement of new education-focused inspectors begs a number of important questions, which we hope will be answered shortly:

- How will the Department of Education inspectors work together with the existing Early Years Inspectorate in Tusla? We need a single, integrated inspection system, rather than two parallel systems.
- What regulations or standards will the new inspectors be using? And what sanctions or resources will they have available to them? If they are not integrated with Tusla into a single broader-based inspectorate, care will be needed to demarcate the different roles and approaches of the two inspection services.
- What qualifications will be required of the new inspectors? It is essential that they should be trained and qualified in early childhood care and education. Being a Public Health Nurse or a primary school inspector is not sufficient qualification to assess the quality of early years services.
- Will the restriction of Department of Education inspectors to the Free Pre-School Year be permanent or temporary? If it is a short-term measure pending the expansion and restructuring of the

⁴ Department of Education and Skills (2014) Press release, 14 October.

⁵ Speech by Dr James Reilly TD, Minister for Children and Youth Affairs, 15 October 2014, <http://www.dcy.gov.ie/viewdoc.asp?DocID=3332>



inspectorate, then it may make sense. But if it is a permanent move, it is misguided.

While we await more details on the new inspectors, we certainly welcome the commitment to early childhood education shown by the new Minister for Education and Skills, Jan O'Sullivan TD.

The Budget announcement on inspectors, while limited, comes on top of recent announcements by Minister O'Sullivan, including a review of training programmes, and the establishment of an Advisory Group to advise the Department of Education and Skills on early years education issues.

It has long been a weakness of Ireland's early years provision that policy responsibility is shared between Departments. In particular, while the Department of Children and Youth Affairs holds the budget for the funding schemes, including the Free Pre-School Year and the Community Childcare Subvention, the Department of Education and Skills has policy responsibility for much of the quality of services, including workforce development, and the roll-out of the Siolta national quality framework and Aistear curriculum framework.

The Expert Advisory Group on the National Early Years Strategy called for all policy responsibility for early care and education to be moved into a single Government Department.⁶ We hope that the merging of policy responsibilities will form part of the forthcoming National Early Years Strategy, due to be published by the end of this year.

3. Further action needed on child poverty

As the End Child Poverty Coalition (of which Start Strong is a member⁷) argued in its *Pre-Budget Submission 2015*, the austerity measures taken in recent Budgets have exacerbated poverty levels, with the rate of consistent poverty among children rising from 6.3% in 2008 to 9.9% in 2012.⁸

The rate of child poverty must be brought down if all children are to be given a good start in life. The End Child Poverty Coalition has consistently argued that addressing child poverty requires both better income supports

for families and also public services – including early care and education – that are high quality and affordable.

We welcome the increase in Child Benefit and the introduction of the Back to Work Family Dividend, but the lack of high quality affordable 'childcare' will continue to keep many families living in poverty.

The austerity budgets over recent years have included a series of cuts to Child Benefit that have put additional pressures on families whose incomes are already stretched as a result of the recession. Child Benefit has been cut from a peak of €166 - €203 per month per child to the current rate of just €130.

The Budget 2015 announcement that Child Benefit will rise to €135 from January 2015 and to €140 from 2016 is certainly welcome, but it only goes a small way to reverse the recent cuts. While it will help families who are struggling to make ends meet, the impact will not be large.

One new measure announced in Budget 2015 is the Back to Work Family Dividend. This will help families moving off social welfare into employment, by allowing them to retain the Qualified Child Increase (QCI) of €29.80 per child per week. Families will keep the full QCI for the first 12 months after taking up a job, and 50% of the QCI for the second 12 months.

This measure will go some way to making work pay. But, while addressing the loss of benefits is important, the largest cost faced by many families when moving off social welfare into employment is the cost of 'childcare'. With the average cost of a full-day place €167 per week,⁹ the €29.80 provided by the Back to Work Family Dividend will only make a small contribution to offsetting the cost of 'childcare'.

Start Strong

Start Strong is a coalition of organisations and individuals seeking to advance children's early care and education in Ireland.

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⁶ Department of Children and Youth Affairs (2013) *Right from the Start: Report of the Expert Advisory Group on the Early Years Strategy*, p.26 (Recommendation 41).

⁷ The members of the End Child Poverty Coalition are: Barnardos, the Children's Rights Alliance, Focus Ireland,

the National Youth Council of Ireland, OPEN, Pavee Point, the Society of St. Vincent de Paul, and Start Strong.

⁸ http://endchildpoverty.ie/publications/documents/ECPC-PBS2015_0614.pdf

⁹ Pobal (2014) *Annual Early Years Sector Survey*, p.42.

